

ODISHA ELECTRICITY REGULATORY COMMISSION
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No.OERC-Eng-58/2000(General)-1685

Dated-31.12.2015

To

The Authorised Officer,
WESCO, At/P.O. Burla,
Dist. Sambalpur

Sub: **Review of Energy Audit and Revenue Collection of WESCO for the first half of FY 2015-16 held in OERC on 07.12.2015.**

Sir,

In inviting a reference to the subject cited above, I am directed to send herewith the performance report of WESCO for the first half of FY 2015-16 for your information and necessary action.

Yours faithfully,

Encl : As above.

SECRETARY

Copy to:

- i) The Principal Secretary, Department of Energy, Govt. of Odisha along with copy of the enclosure for favour of information.
- ii) The CMD, GRIDCO, Janpath, Bhubaneswar along with copy of the enclosure for favour of information.

Sd/-

SECRETARY

**Record Note of Energy Audit and Performance Review of WESCO for April-
September. FY 2015-16**

Date of Review : 7th December, 2015 at 3.00 PM

Period of Review : April-September. 2015-16

Representatives of WESCO Officials:

The Energy Audit and Revenue performance of WESCO for the first half of FY 2015-16 was reviewed by the Commission on 7th December, 2015 at 03.00 PM in the presence of senior officials of WESCO, as annexed with this report. A brief minute of this meeting is as given below:

The meeting began with the review of revenue performance of WESCO. The increase of revenue & collection by the licensee during the 1st half of the current FY 2015-16 compared to the same period of 2014-15 is just Rs.7.65 cr. This has resulted in an increase of per unit realization of 23.80 paise against the average RST hike of 20 paise across all categories of consumers. The reduction of loss during the same period was 4.78% only. To this, the Authorized Officer, WESCO submitted that they have taken a lot of measures to increase revenue collection and reduce loss during the current FY such as introduction of 100% photo billing, increased MRT activities etc. The collection from their LT sales has been increased substantially for which the LT realization per input has been increased but that failed to show up in overall increase in revenue of the licensee due to considerable reduction of consumption by EHT consumers from 591.10 Cr to 514.39 Cr during the two periods under review. The key performance indicators of WESCO are as given below:

COMPARISON OF 1ST SIX MONTH PERFORMANCE

	AT & C LOSS LT		% Difference	REVENUE Rs Cr		Difference in Rs Cr	Realization Per Input LT in Paise		Difference in Paise
	2014- 15	2015- 16		2014- 15	2015- 16		2014- 15	2015- 16	
CESU	55.11%	52.79%	-2.32%	1335.07	1388.87	53.80	203.21	221.91	18.70
NESCO	56.38%	55.62%	-0.76%	857.77	923.38	65.61	173.99	189.21	15.22
WESCO	72.69%	67.91%	-4.78%	1150.31	1157.96	7.65	113.03	136.83	23.80

SOUTHCO	56.34%	54.39%	-1.95%	376.33	401.38	25.05	171.21	192.74	21.53
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ENERGY AUDIT

The Authorized Officer WESCO submitted that as an initiative for Energy audit in WESCO area the licensee has undertaken the Energy Audit of 11kv feeders on the following manner:

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|---|----------------|
| (A) Total no. Of 11kv feeders in WESCO: | 603 nos. |
| (B) 11kv feeders where meters installed: | 547 nos. (91%) |
| (C) Balance feeders remaining for installation: | 56 nos. |
| (D) Energy Audit already started | 354 nos. |

WESCO has been proposed to conduct full-fledged Energy Audit from 33kv Feeders downward to consumer level in Cheruapda 33kv Feeder in Sambalpur Electrical Division in line with the directives of the Commission. As per current energy audit position the % loss in Samaleswari 11kv feeder of Cheruapada 33kv S/S is worked to 51% in Sept-15 as compared to 54% in the month of Aug-15. As far as other 3 feeders of Cheruapada 33kv S/S namely PHD, Balibandha & Medical 11kv feeders are concerned energy audit could not be extended due recent consumer tagging (Nov-2015). As of the strategy now the Metering in 96 DTRs of all the feeders shall be completed by the end of Feb-2016 along with 100% installation of consumer meters. The detail report on Energy Audit of Cheruapda 33kv Feeder shall be available from the month of March-2016

The Commission expressed displeasure over lagging energy audit activity undertaken by DISCOMs. OERC has given several directions in past to carry out energy audit in at least one 33 KV feeder starting from the sub-station to the level of consumer and complete mapping. NESCO stated to have completed complete energy audit of one 11 KV feeder i.e , Sahadevkhuntia feeder under Balasore division. WESCO and SOUTHCO identified Cheruapda 33kv Feeder in Sambalpur Electrical Division and Ramachandrapur 33/11 KV S/s under GNED,Chatrapur respectively.

Commission finds it appropriate to attract provision of Section 142 under Electricity Act for failure on the part of DISCOMs to carry out the order of the Commission. The DISCOM have to demonstrate their commitment to conduct energy audit covering not less than then (10) number of feeders in a month so as to complete energy audit in their entire area of operation within a visible time frame.

DIRECTIVES OF THE COMMISSION

1. Commission expressed displeasure over the poor performance of DISCOMs Sales and collection from revenue is far from a sustainable business environment.
2. There appears to be no improvement during the 1st half of the current financial year compared to that of the previous year i.e. 2014-15 so as to make an optimistic assumption.
3. Therefore it is directed that:-
 - (a) The growth in sales on energy and connected revenue must be in upward trend month-wise for each division to achieve the loss reduction target specified by the Commission.
 - (b) CEOs and COOs shall monitor the improvement parameters monthly basis and fortnightly for last quarter of the year.
 - (c) Officers in charge of divisions and circles shall monitor performance under them weekly preferably on Monday and Tuesday at 10.00AM and prescribe corrective measures to achieve the target along with report to COO.
 - (d) There must be visible progress on installation of AMRs for specified CD. Work plan shall be submitted to COO/ CEO. All officers shall endeavor to achieve the target promised.
Consolidated report shall be submitted to Commission monthly.
 - (e) Energy Audit targets must be progressive and periodical reports shall be sent to Commission till target achieved.
 - (f) Metering installations shall be complete with CT & PT / metering cubicle for Energy Audit. Road map for energy audit shall be furnished by each division to COO. All officers shall ensure adherence to targeted commitments.
 - (g) Directions in various ARRAs shall be complied.
 - (h) CEO and COO of each DISCOM is directed to prepare plan & PERT chart on sales, revenue and energy audit and submit it to Commission and also direct subordinate for strict implementation.
